

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 EURE-00 /021 W
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P R 171522Z MAR 77
FM AMEMBASSY BERLIN
TO SECSTATE WASHDC PRIORITY 4327
INFO USDOC WASHDC
AMEMBASSY BONN
USMISSION USBERLIN UNN

LIMITED OFFICIAL USE BERLIN 5538

USDOC FOR BEWT

E O 11652: NA
TAGS: EEWT, GE, US
SUBJ: UNION CARBIDE SIGNS LARGE PURCHASE CONTRACT WITH GDR

1. ON MARCH 16 UNION CARBIDE SIGNED A CONTRACT AT LEIPZIG FAIR WITH FTO CHEMIE EXPORT-IMPORT FOR PURCHASE OF LARGE QUANTITIES OF ETHYLENE GLYCOL OVER A PERIOD OF SEVERAL YEARS. SIGNING FOR CARBIDE WAS SENIOR CORPORATE VICE PRESIDENT LUCHSINGER, AND FOR GDR CHEMIE EXPORT-IMPORT CHIEF NITSZCHE. CEREMONY, AT WHICH THE EMBASSY COMMERCIAL WAS PRESENT, WAS ALSO ATTENDED BY FOREIGN TRADE STATE SECRETARY BEIL.

2. THE CONTRACT MARKS A TURNING POINT IN UNION CARBIDE'S RELATIONSHIP WITH THE GDR, REVERSING THE SELLER-BUYER ROLE OF THE TWO PARTIES. THE DEAL, WHICH UNION CARBIDE SAYS WAS TWO YEARS IN NEGOTIATION, INVOLVED DELIVERIES FROM A NEW PLANT IN BUNA, SCHEDULED TO COME ON STREAM ABOUT AUGUST 1977. THE NEW BUNA PLANT INVOLVES AN ETHYLENE OXIDE UNIT BUILT BY
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ALPINE VOEST OF AUSTRIA AND GLYCOL UNIT CONSTRUCTED BY THE GDR.

3. IN TALKS WITH THE EMBASSY, BEIL PUT THE VALUE OF THE DEAL AT \$80 MILLION. MEL DUNCAN OF UNION CARBIDE DECLINED TO PUT A VALUE ON THE TRANSACTION, AND ADDRESSEES SHOULD NOT ASSOCIATE UNION CARBIDE WITH

THAT FIGURE. DUNCAN SAID DEAL INVOLVES PURCHASE OF
GDR PRODUCT FOR CASH WHICH IS THE SAME BASIS AS PREVIOUS
UNION CARBIDE SALES OF PRODUCT TO GDR. DUNCAN SAID
VALUE OF NEW CONTRACT IS SMALLER THAN THE VALUE OF
UNION CARBIDE'S PAST SALES TO THE GDR. DUNCAN
SAID THE GDR PRODUCT WOULD ENTER UNION CARBIDE'S
WORLDWIDE PRODUCTION NETWORK, BUT OWING TO US TARIFF
BARRIER, WOULD PROBABLY NOT BE SHIPPED OR SOLD IN US.POLANSKY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT PROCUREMENT, EAST WEST TRADE, CONTRACTS, ALCOHOLS
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BERLIN05538
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770092-0074
Format: TEL
From: BERLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770351/aaaabrztel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 45b309b7-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Feb-2005 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
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Review Withdrawn Fields: n/a
SAS ID: 3084027
Secure: OPEN
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TAGS: EEWT, GC, US, UNION CARBIDE, FTO CHEMIE EXPORT-IMPORT
To: STATE
Type: TE
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Review Markings:
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